



8011-01p
SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request Copies Available From:
Securities and Exchange Commission
Office of FOIA Services
100 F Street, NE
Washington, DC 20549-2736

Extension: Regulation D Rule 504(b)(3) – Felons and Other Bad Actors Disclosure Statement

SEC File No. 270-798, OMB Control No. 3235-0746

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

Regulation D Rule 504(b)(3) provides that no exemption under Rule 504 shall be available for the securities of any issuer if such issuer would be subject to disqualification under Rule 506(d) of Regulation D on or after January 20, 2017; provided that disclosure of prior “bad actor” events shall be required in accordance with Rule 506(e) of Regulation D. Rule 504(b)(3) requires the issuer in a Rule 504 offering to furnish to each purchaser, a reasonable time prior to sale, a written description of any disqualifying events that occurred before effectiveness of the amendments to Rule 504 (i.e., before January 20, 2017) and within the time periods described in the list of disqualification events set forth in Rule 506(d)(1) of Regulation D, for the issuer or any other “covered person” associated with the offering.

Approximately 800 issuers relying on Rule 504 of Regulation D will spend on average one additional hour to conduct a factual inquiry to determine whether any covered persons had a

disqualifying event that occurred before the effective date of the amendments for a total of 800 hours. In addition, approximately eight issuers (or approximately 1% of 800 issuers) will spend ten hours to prepare a disclosure statement describing matters that would have triggered disqualification under Rule 504(b)(3) of Regulation D had they occurred on or after the effective date of the amendments (January 20, 2017) for total burden 80 hours (8 issuers x 10 hours per response).

For Purposes of the PRA, we estimate the total paperwork burden for all affected Rule 504 issuers to comply with Rule 504(b)(3) requirements would be approximately 808 issuers and a total of 880 burden hours.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

The public may view the background documentation for this information collection at the following website, www.reginfo.gov. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an e-mail to: Lindsay.M.Abate@omb.eop.gov; and (ii) David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o Cynthia Roscoe, 100 F Street, NE, Washington, DC 20549 or send an e-mail to: PRA_Mailbox@sec.gov. Comments must be submitted to OMB within 30 days of this notice.

Dated: March 6, 2020.

J. Matthew DeLesDernier,
Assistant Secretary.

[FR Doc. 2020-04947 Filed: 3/10/2020 8:45 am; Publication Date: 3/11/2020]